IN Libraries E-Rate Webinar

October 25, 2007

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ENA Background

- Participant since Year 1
  - **Experienced E-Rate team**

- ENA Companies
  - **Education Networks of America**
  - **ENA Services, LLC**

- Service Provider Leader
  - **Over $215m in E-Rate funded**
  - **Founding Member – E-Rate Service Providers Assoc**

- Customer service and education focus

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Intro

- E-Rate process is ever changing and quite complex
    - **Today's webinar focused on highlights and new information**
    - **Seek out experienced assistance**
        - Clerical errors are now easier to correct
        - Other errors are still difficult to correct
            - Contradiction leads to denial
            - Get it right the first time
    - **Q & A**
        - At end of presentation
        - ENA available at your convenience

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E-Rate Season

- 471 window opens November 7, 2007

- 471 deadline has been set for January 24, 2008
  - Recommendation – start on E-Rate now

- 470 deadline is 28 days before window closes
  - **All 470s must be done by December 27**
  - **Don't wait to last minute if needed**
  - **Tech plans must be created prior to filing 470**

- Don't forget to file your 486s for 07-08 approvals
  - **October deadline**

What's New 2007/2008/2009

- Kinder, gentler E-Rate Program?
  - **FCC making SLD reach out**
  - **Bishop Perry and other applicant friendly orders**
  - **Deadlines less hard and fast – but be careful**
  - **Two signature/Two Dates rule removed**
    - Must meet state law on signature requirements
    - Two signatures/dates still a best practice

- FCC trying to focus on the right things/Back to Basics theme
  - **Help applicants with program**
    - HATS program
    - More audit staff/audits
  - **Tech Plan reviews**
    - Anticipated to be a major focus going forward
  - **New On-line Tools – BEAR, 486**
  - **ESL – new eligible items including VOIP in 2007**
    - Very little change in 2008

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E-Rate Tips

- Tech Plan/470 – Starting point
  - **Tech plan must be "created" before filing**
    - Can be draft – approval can be pending
    - Make sure lists all services on 471s and has $ to cover
    - Required for all but basic telecom – local, LD and cell
      - Required if you file for a PBX
      - Centrex now considered basic telecom
      - When in doubt – have a tech plan
  - **Check boxes for multiyear and voluntary extensions**
    - When in doubt, check the boxes
  - **Services must be described – even with RFP**
    - Consider listing services under both telco and Internet
  - **Must be available 28 days including RFP**

- Services without a contract
  - **Tariff, Month to Month**
  - **Require a 470 Each Year**

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E-Rate Tips

- Cost Allocation/Splitting FRNs
  - **Cost Allocation allows you to share services and still get E-Rate on the eligible portions**
  - **Cost Allocation guidance vague, but SLD typical allows reasonable allocations suggested by the applicant**
  - **30% Rule less likely to be used**
  - **If asked to Split – say Yes**
  - **Appeals**

- Budgets
  - **Proof of budget at date of 471 filing is no longer a hard requirement**
    - "Reasonable expectation" requirement
  - **Proof of budget at date of 486 may be required**
    - SLD to work with applicants if budget is reduced
      - Instead of immediate denial

E-Rate Tips

- ## Record Retention
  - ### Continues to be an issue during E-Rate audits
  - ### Records required to be kept for at least 5 years after the end of the funding year
    - If funds were delayed, consider keeping records for 5 years after funds were received
    - This may be longer than state or local law requires
  - ### Tech plans could be focus this year
    - Make sure you get tech plan approval letter before services start
    - Tech plans 39% of audit failures – approval letter issues widespread
  - ### Asset Records for Internal Connections required
  - ### SLD has published a records retention checklist/binder
    - Recommend creating a binder and/or gather all the listed materials
    - Don't wait until requested to try to round up old records

E-Rate Tips

- Appeals
  - **SLD now allows "new" information**
  - **New does not mean newly created information**
  - **Should result in more favorable appeal results at SLD level**
  - **Consider appealing all denials if they have any merit**
    - FCC is funding many things that would have been denied in past

- Audits expected to increase
  - **Findings to avoid**
    - Filing Form 500s – Optional, but audited
    - Quarterly USAC disbursements reports
      - Keep on file and compare to your vendor invoices

- Internet Access – State Consortium available

  – **Library does not need a 470**

  – **Can purchase heads and tails from state contract**

  – **Libraries file Form 471 individually based on state contract**

  – **Consortium info gathered by State Library with ENA assist**

IN Internet Access

- Libraries -Consortium info gathered by State Library
  - **Tech Plans/Tech Plan updates**
  - **Letter of Agency**
  - **Board Resolution**
  - **Form 479 – CIPA compliance**
  - **Request for Services Form – what service is requested**
    - ENA ASM's assisting in completion of Request for Services Forms
  - **Website – www.statelib.lib.in.us/www/isl/ldo/erate/index/html**

Resources

- **Contact ENA** – Rex Miller – rmiller@ena.com or your IN ASM

- **Contact State Library –**
  - Wendy Knapp (**wknapp@library.in.gov**)
  - Linda Judd (**ljudd@library.in.gov**)

- **Websites** –
  - SLD – main E-Rate rule site – training/Web Ex
  - 2007 Fall Training materials are available and valuable
  - (**www.sl.universalservice.org**)
  - E-Rate Central – resources/news
    (**www.e-ratecentral.com**)

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